

Below is the Order of the Court.



  
**Marc Barreca**  
**U.S. Bankruptcy Judge**

(Dated as of Entered on Docket date above)

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

In Re:

NATURAL MOLECULAR TESTING  
CORPORATION,

Debtor.

No. 13-19298-MLB

Chapter 11

NATURAL MOLECULAR TESTING  
CORPORATION, a Washington corporation,

Plaintiff,

v.

CENTERS FOR MEDICARE & MEDICAID  
SERVICES; *et al.*,

Defendants.

No. 13-01635-MLB

ORDER GRANTING MOTION FOR  
DECLARATION OF  
INAPPLICABILITY OF AUTOMATIC  
STAY

THIS MATTER came before this Court upon the Defendants' Motion For Declaration  
of Inapplicability of Automatic Stay, or, in the Alternative, for Relief from Stay for Agency  
Review of Medicare Reimbursement Dispute (Dkt. #178).

ORDER - 1  
(No. 13-01635-MLB)

UNITED STATES ATTORNEY  
700 STEWART STREET, SUITE 5220  
SEATTLE, WASHINGTON 98101  
(206) 553-7970

1 THE COURT has reviewed the Defendants' Motion; Plaintiff's Opposition thereto;  
2 Defendants' Reply; the supporting documentation filed in support of each and has heard oral  
3 argument regarding the same. Now, therefore, it is hereby ORDERED that Defendants'  
4 Motion is GRANTED for the reasons set forth on the record on January 7, 2015.  
5

6 The Court hereby declares that the Centers for Medicare & Medicaid Services ("CMS")  
7 and its contracting agencies' administrative review of NMTC's Medicare reimbursement  
8 claims is excepted from the automatic stay provision set forth at 11 U.S.C. § 362 because it is  
9 an action or proceeding by a governmental unit to enforce such governmental unit's police or  
10 regulatory power, excepted from the automatic stay by 11 U.S.C. § 362(b)(4). Therefore, the  
11 automatic stay does not apply to CMS's review process unless and until it attempts to enforce  
12 any administrative award or judgment against the debtor.  
13

14 The Court further declares that if CMS's administrative review were not excepted from  
15 the automatic stay as an exercise of police or regulatory power, it would still be permitted to  
16 proceed because there is cause to lift the stay pursuant to 11 U.S.C. § 362(d)(1). This Court  
17 previously ruled that this adversary proceeding should be stayed in deference to the agency's  
18 primary jurisdiction over Medicare reimbursement disputes. *See*, Order dated November 21,  
19 2014 [Dkt. #175]. That ruling provides cause for relief from stay to the extent necessary.  
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21

22 ///END OF ORDER///  
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1 Presented by:  
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ORDER - 3  
(No. 13-01635-MLB)

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